

ATTACHMENT 7.

Open Letter to Alaska Hatcheries

April 16, 2010

A number of Alaska salmon processing companies are interested in exploring the possibility of increased hatchery production of pink salmon in Alaska. We are writing to you, the operators of Alaska's hatcheries, to explain our perspective and goals and to ask for your views, input, and advice.

IMPORTANCE OF PINK SALMON HATCHERIES

From its first incubation of 8 million pink salmon eggs in 1975 to the successful return of more than 64 million pink salmon adults in 2007, the Alaska salmon enhancement program has invigorated fisheries, stimulated investment and enriched the lives of Alaska residents in coastal communities from Ketchikan to Kodiak. Alaska needs the tax revenues, employment, and healthy communities that accompany a healthy salmon industry and strong pink harvests are central to achieving that. Without a large and reliable pink salmon harvest, shoreside processing would not be economically viable in some parts of the state. Southbound shipments of canned and frozen pinks help offset northbound barge costs, reducing shipping costs of northbound goods, and thereby reducing the cost of living for all Alaskans.

VULNERABILITY OF CURRENT BUSINESS

The health of Alaska's pink salmon business has improved in the past decade, but recent changes have highlighted vulnerabilities that threaten to undermine our efforts. First, Alaska harvest trends are not good: the catch has been disappointing over the past two years, and the 2010 pink projections are even worse. Second, Russian harvests are on the upswing and now far outstrip Alaska's: in 2009 Alaska harvested roughly 400 million lbs., while Russia's harvest was over 1.1 billion lbs., driven largely by aggressive hatchery expansion. With Russia's acquisition of MSC [Marine Stewardship Council] certification, even those customers who desire the MSC label will be able to substitute lower-priced Russian production for Alaskan fish, putting Russia in position to replace us in markets we have developed.

HOW SHOULD WE PROCEED?

Alaska needs more pink salmon and the only way to get them is by increasing hatchery production we think that hatchery production of pink salmon can be substantially increased without damaging the ecosystem and to the benefit of all stakeholders. Still, we know that pursuing this goal will involve addressing a number of questions and issues, and we fully recognize the importance of ensuring that hatchery programs and production levels are sustainable and consistent with sound science and protection of wild stocks. As a starting point, we are requesting your input on the following questions. We would welcome responses specific to your region or with a broader, statewide perspective:

1. Are Alaska hatcheries currently producing as much pink salmon as they have been permitted to produce? If not, how much permitted production is not being produced and why?
2. How much expansion could be achieved without new construction? If new construction is needed, would that be better accomplished with expanded capacity at existing hatcheries or by constructing entirely new facilities? If we were to build new hatcheries, where should they be built?

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3. What is a reasonable capacity goal? From 2000 – 2008 the average statewide hatchery pink returns were 32.6 million on even years and 55.9 million in odd years – in both cases about 40% of total pink returns. We would like production to increase to 70 million in both even and odd years over the next five years, which would bring hatchery production to roughly 50% of the total. How realistic is that goal?
4. Is it possible to ramp up hatchery production in even-numbered years, to offset the high/low return cycle? Smoothing out the disparity between even and odd year production would also have a highly positive impact for both fishers and processors.
5. Besides the physical plant needs, what are the other steps that need to be taken and factors that need to be considered and addressed in order to move forward with an effort to increase pink salmon production?
6. What roles do you believe the processing community can play in helping to accomplish this goal?

CONCLUSION

The expertise and support of hatchery operators are critical factors in determining if and how those wishing to expand pink salmon production can proceed with advancing that goal. We see a bright future for Alaska pink salmon and hope that together we can craft a plan that can help create sound, long-term production growth that will stimulate Alaska's coastal economy for generations to come.

Industry Working Group



If you have questions or comments please direct them to the group below.

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PSPA member companies with salmon processing operations

Trident Seafoods

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North Pacific Seafoods

Peter Pan Seafoods

Fishery Management Report No. 10-05

**Alaska Salmon Enhancement Program 2009 Annual
Report**

by

Bruce White

March 2010

Alaska Department of Fish and Game

Divisions of Sport Fish and Commercial Fisheries



Table 12.—Summary of anadromous salmon production (all species) from Alaska hatcheries and enhancement projects.

Year	Egg Takes (millions)	Fry Releases (millions)	Total Returns (thousands)	Year	Egg Takes (millions)	Fry Releases (millions)	Total Returns (thousands)
1966	NA	1	0	1988	1,280	1,114	18,527
1967	NA	1	0	1989	1,418	1,087	35,730
1968	NA	1	0	1990	1,603	1,154	48,485
1969	NA	1	0	1991	1,634	1,319	48,853
1970	NA	1	0	1992	1,725	1,323	23,536
1971	NA	0	0	1993	1,685	1,475	33,595
1972	2	2	0	1994	1,758	1,302	55,926
1973	4	2	0	1995	1,913	1,503	37,298
1974	9	3	0	1996	1,688	1,638	50,220
1975	36	11	18	1997	1,732	1,364	50,991
1976	61	13	29	1998	1,773	1,452	56,046
1977	100	41	176	1999	1,847	1,433	72,303
1978	133	74	341	2000	1,734	1,470	63,114
1979	152	87	1,988	2001	1,804	1,476	61,730
1980	292	96	3,053	2002	1,863	1,484	49,322
1981	475	212	4,886	2003	1,926	1,521	79,873
1982	548	331	6,939	2004	1,736	1,648	46,448
1983	668	412	6,560	2005	1,705	1,427	80,973
1984	829	506	7,690	2006	1,823	1,433	46,498
1985	995	659	16,650	2007	1,724	1,560	80,260
1986	1,026	762	12,979	2008	1,657	1,487	60,433
1987	1,369	824	25,505	2009	1,782	1,463	45,015
				Total	44,510	35,173	1,231,989

Table 13.—Summary of pink salmon production from Alaska hatcheries and enhancement projects.

Year	Egg Takes (millions)	Fry Releases (millions)	Total Returns (thousands)	Year	Egg Takes (millions)	Fry Releases (millions)	Total Returns (thousands)
1974	5	0		1992	1,077	797	14,734
1975	9	1	18	1993	1,031	919	20,692
1976	23	4	16	1994	1,076	790	41,305
1977	66	18	175	1995	1,162	921	24,770
1978	79	50	325	1996	929	999	29,575
1979	91	60	1,591	1997	1,064	773	33,957
1980	174	64	2,310	1998	1,119	873	38,651
1981	328	135	4,371	1999	1,085	878	51,973
1982	344	218	6,610	2000	1,074	880	40,395
1983	406	264	5,939	2001	1,101	942	47,247
1984	442	332	5,298	2002	1,168	938	30,835
1985	604	366	14,158	2003	1,108	962	59,773
1986	511	484	9,044	2004	960	965	30,564
1987	840	443	21,961	2005	949	808	69,076
1988	736	730	13,868	2006	964	809	26,702
1989	975	675	31,764	2007	952	851	64,308
1990	1,014	811	41,208	2008	908	823	43,411
1991	998	862	39,777	2009	943	818	29,276

1998-2009 Ave. 44,351

Attachment 9.

PWS commercial common property pink salmon harvest for all gear types, all districts, 1998-2010
Data from ADF&G 2008 Annual Management Report, ADF&G 2009 and 2010 Otolith Mark Recovery Program

Return Year	SGH	AFK	CCH	WNH	Total Enhanced	Total Wild	Total Harvest
1998	1,226,679	5,037,454	4,869,014	4,817,354	15,950,501	3,886,500	19,837,001
1999	9,465,378	5,108,346	5,414,942	4,828,682	24,817,348	6,798,567	31,615,915
2000	7,635,581	4,646,469	4,688,206	4,980,503	21,950,759	5,799,146	27,749,905
2001	11,458,958	1,668,025	589,171	1,906,503	15,622,657	6,699,234	22,321,891
2002	360,850	5,098,103	627,065	1,840,319	7,926,337	233,165	8,159,502
2003	11,871,024	4,494,486	5,390,008	12,422,082	34,177,600	4,571,962	38,749,562
2004	7,262,379	1,293,453	135,021	144,533	8,835,386	2,865,696	11,701,082
2005	13,713,349	6,429,875	10,452,306	4,515,479	35,111,009	12,128,381	47,239,390
2006	4,840,097	2,391,723	1,319,036	1,459,313	10,010,169	1,953,374	11,963,543
2007	19,586,090	12,449,638	5,638,233	3,831,328	41,505,289	9,886,943	51,392,232
2008	15,457,215	6,112,269	9,749,992	8,700,661	40,020,137	380,950	40,401,087
2009	58,739	2,356,512	1,740,563	6,283,136	10,438,950	1,760,835	12,199,785
2010	16,054,782	18,927,555	15,484,400	12,906,736	63,373,473	2,405,198	65,778,671
1998-2010 Average	9,153,163	5,847,224	5,084,458	5,279,741	25,364,586	4,566,919	29,931,505
1998-2010 Minimum	58,739	1,293,453	135,021	144,533	7,926,337	233,165	8,159,502
1998-2010 Maximum	19,586,090	18,927,555	15,484,400	12,906,736	63,373,473	12,128,381	65,778,671

Attachment 10.

2011 PWSAC Pink Salmon Permit Alteration Requests - Anticipated Number of Adults

Hatchery	Additional Fry Released	Anticipated Number of Adults with Assumed Marine Survival Rates					
		2.00%	3.25%	4.50%	5.75%	7.00%	8.25%
AFK	22,000,000	440,000	715,000	990,000	1,265,000	1,540,000	1,815,000
CCH	29,000,000	580,000	943,000	1,305,000	1,668,000	2,030,000	2,393,000
WNH	33,000,000	660,000	1,073,000	1,485,000	1,898,000	2,310,000	2,723,000
Total	84,000,000	1,680,000	2,731,000	3,780,000	4,831,000	5,880,000	6,931,000